I can’t believe that summer is fast coming to a close. It seems like just yesterday that school was letting out for the year, vacation plans were being made and planning for our upcoming FY12/13 year for the new Officers and Chairs was getting started. Now, it is the middle of September and the days are getting shorter, school is back in session and our Chapter is hosting its 2nd lunch meeting on September 19th. Last month’s meeting was well attended and the topic, “Social Media – Associated Risk, Opportunity and Control Programs” was on-point and provided valuable insight in an emerging audit risk area for most industries.

The September lunch meeting will be equally valuable to our members, we have invited 3 of our CAE’s to participate in a panel discussion on a wide range of issues, emerging risks and what skills are needed in an auditor both now and in the future. Attending the lunch meetings provides not only inexpensive quality CPE, but also gives us an opportunity to network with our peers.

The theme for this newsletter is Networking – The importance of staying in touch. Networking and relationship building should be viewed as a continuous process. Networking has many positive impacts including personal growth, being exposed to new ideas, and building long-term mutually beneficial relationships. However, all too often, we look at networking as a chore or even worse, we start networking once we have lost our job or have been notified that our audit department is being outsourced.

I think that we all know how important networking is, but our usual excuse is that we are too busy; we have a deadline to meet, or an important project to finish. It is definitely important to meet work deadlines, but it is equally important to focus on long-term career objectives. Setting aside time to network, provides intrinsic value that is sometimes hard to measure in the short-term. The value of networking only becomes apparent, when that relationship is needed in the future to advance your career.

I must confess that even as I write this and recommend making networking a priority in your business life, that I am more comfortable working on audits than I am in attending networking sessions and reaching out to meet new people. However, I do recognize how important networking is and I make a conscious effort on a regular basis to attend professional organization’s meetings and conferences to meet people and build relationships. It is not always easy to do, but it is important.

The San Gabriel Valley Chapter has been working hard on developing networking opportunities for you thinly disguised as educational events. In October, we have a couple opportunities for you to expand your technical expertise as well as develop new relationships.

Our lunch meeting on October 17 features Amit Dewan from Aviva Spectrum, who will speak about Regulatory Updates for Internal Auditors. On October 29 and 30, we will hold our first 2-day seminar for the year. On Monday, October 29, we are offering an 8 hour course on “IT Auditing for non-IT Auditors” and on Tuesday, October 30, we are offering an 8 hour seminar on “Fraud Auditing”. One of the benefits of attending SGV Chapter events is that we now
Upcoming Events

WEDNESDAY
October 17th.
“Regulatory Update for Internal Auditors”
11:30 – 1:00, Pasadena’s Women’s City Club
Chapter Luncheon

October 29th. and 30th.
2-day seminar for the year.
October 29th—“IT Auditing for non-IT Auditors”
October 30th—“Fraud Auditing”

WEDNESDAY December 5th.
“Mastering Change”
11:30 – 1:00, Pasadena’s Women’s City Club
Chapter Holiday Luncheon

WEDNESDAY January 16, 2013
“IA Trends and Leading Practices”
11:30 – 1:00, Pasadena’s Women’s City Club
Chapter Luncheon

January 28th. And 29th. 2013
Two-day Seminar
Risk Based Auditing
More info to come soon

WEDNESDAY
February 20, 2013
11:30 – 1:00, Pasadena’s Women’s City Club
Chapter Luncheon

offer NASBA certified CPE. All of these events will provide a lot of useful information as well as a chance to meet new people. I look forward to seeing you there.

Ruthe Holden, CIA, CPA, CISA, CGAP, CGMA
IIA San Gabriel Valley Chapter President
2012-2013

Seeking Dedicated Leaders to Fill Board and Committee Positions

With 175,000 members in nearly 170 countries, The Institute of Internal Auditors (IIA) provides dynamic leadership for the global profession of internal auditing. Volunteers play a key role and the contributions they make impact the day-to-day functions of internal auditors, as well as shape the future of the internal audit profession.

The IIA is seeking qualified members serve in the following leadership roles:

- International Officers
- Board of Directors
- North American Board
- The IIA Research Foundation Board of Trustees
- 16 Committees comprising 250 members
- District Advisors and Representatives (North America only)

Candidates should have relevant expertise and the ability to participate in the leadership of The IIA. Nominations are accepted from IIA Institutes and Chapters, IIA members who know of interested candidates, or candidates themselves.

Nominations for 2013-2014 should be completed and submitted electronically by November 2, 2012. Forms received after that date will be considered for the 2014-2015 service year. If you are elected or appointed to serve, your term will begin in April 2013 or July 2013.

Click here to learn more details about this year’s Call for Volunteers and to access the online nomination form.

The Institute of Internal Auditors - San Gabriel Valley Chapter is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors through its website - Website: www.learningmarket.org.
Wednesday, October 17, 2012 11:30AM-1:00PM

“Regulatory Update for Internal Auditors”

Amit Dewan
Director, Aviva Spectrum

Lunch Program Topic Presented by:

Amit Dewan, CPA, CA, CISA is a Director with Aviva Spectrum and works out of the Los Angeles, California, US office. He brings over ten years of professional experience, which is supported by an extensive background in SOX projects assisting clients in design, management and implementation of compliance activities. Amit has also acquired considerable experience executing financial statement audits and provided assurance-based business advisory services in line with a variety of audit engagement requirements. Moreover, Amit has actively participated in financial fraud investigations where he leveraged sophisticated forensic accounting techniques.

Amit worked at American Express as the Team Lead of its Global Accounts: Control & Compliance, and SOX Testing Group. Prior to earning that experience, Amit served as a Senior, Assurance and Business Advisory Services, at PwC, where he accrued extensive operating experience in the audit practice group. Amit earned his Certified Public Accountant certification from the California Board of Accountancy, his Chartered Accountancy certification from the Institute of Chartered Accountants of India, and his Certified Information Systems Auditor certification from Information Systems Audit and Control Association (ISACA). Amit graduated with honors as a Bachelor of Commerce in Accounting and Finance from Delhi University (India).

Delivery Method: Group-Live
Program Level: All
Field of Study: Auditing
Prerequisites or Advanced Preparation: None

Come join us in Pasadena at The Women’s City Club, 160 North Oakland Ave (free parking behind building on Madison off of Walnut St).

Register by October 10, 2012:
To Register go to http://www.surveymonkey.com/s/7TQ7Z3R

Lunch is included and the event offers 1 CPE for $28 (members), $31 (non-members), $25 (groups of 5 or more) or $18 (retired members or students). Meal choices: Chicken Scaloppini or Vegetarian. If you are registering multiple participants please email registration@theia-sgvc.org

Payment: Remit cash or check at time of check-in. Make checks payable to IIA-SGVC
Cancellations after October 10, 2012 and no shows will be billed. Please contact registration@theia-sgvc.org to cancel your registration or if you want to change your food selection after completing the registration process.

Refunds: Refund requests should be received by October 10, 2012. No refunds will be granted after the event start date. Contact the Programs Co-Chair at registration@theia-sgvc.org for refund, complaint or cancellation policies.
Tackling the topic of Social Media Risks, Opportunities and Controls, our speakers Stephanie Roberts and Emilie Guilbaud brought in over 50 attendees to our meeting in August. The recent explosion of social media sites has given companies new and improved ways to connect with their customers, but it has also presented new challenges in public relations and technology. Stephanie and Emilie walked the audience through some of the largest players in the social media game, presented some of the risks associated with social media, the challenges businesses are facing and also presented some solutions to these challenges.

Stephanie Roberts is a Senior Manager in Grant Thornton’s Business Advisory service, with over 10 years of experience in internal audit, compliance, process reengineering and other consulting services, particularly hybrid projects involving both financial and technology expertise, across a variety of industries.

Emilie Guilbaud is an IT Manager in Grant Thornton’s Advisory Services practice and has over 7 years of experience providing IT advisory services, particularly hybrid projects involving both financial and technology expertise, across a variety of industries.

The Internal Audit profession continues to be a dynamic and challenging environment, and at the helm of the profession are Chief Audit Executives. Moderated by Alfonso Salazar, KPMG and answering questions for an audience of over 60 attendees were Kendra Castillo, Kaiser Permanente, Erin Kenney, LA Fire & Police Pension and Albert Lau, East West Bank. Given the diverse range of industries represented by each of the panelists, a broad range of topics were covered including various regulatory and compliance challenges confronting internal auditors today, the importance of personal development in order to stay relevant to the profession, and how to complete a thorough audit, while making sure to address high-risk areas.

Kendra Castillo is an Audit Director with Kaiser Permanente, with extensive knowledge of operational and financial audits in both the healthcare and financial services industry. Erin Kenney is the head of the Los Angeles Fire and Police Pension department, with comprehensive experience in governmental auditing, as well as compliance and performance reviews. Albert Lau is the Chief Audit Executive of East West Bank. He possesses an in-depth knowledge of the financial services industry, particularly banking and began his audit career with Deloitte and Touche.

I started my audit career in public accounting at a local CPA firm in Honolulu, Hawaii. I remember my very first assignment was to audit the inmate commissary and trust accounts at a high-security correctional facility for the Department of Public Safety. The audit program and procedures were fairly standard, but being physically in a jail to audit and to count inventory of cigarettes and chocolate bars was both interesting and horrifying. A decade later and after gaining some experience in private industry, I am back in audit of the government sector (solid waste and wastewater treatment) that is equally interesting but safer.

b. What makes you proud of your profession?
I’m most proud of the difference we can make for an organization as internal auditors. The recommendations we make to improve operational efficiency and to drive change make our jobs very rewarding. I enjoy the challenges that the internal audit profession brings. I also enjoy all the people that I have met along the way, especially the IIA members that are so devoted to the profession by volunteering at the local chapters.

c. What are your passions or hobbies outside of internal audit? Tell us anything about yourself that you would like to share with us.
Outside of work, I love to spend time with my family and to cheer for my kids in their sports activities. I also enjoy yoga, badminton, and to make good use of my gym membership. Traveling is another passion I wish I have more time for.

d. Do you have any words of advice to fellow internal auditors?
My advice is to continue to build on technical skills and soft skills and seek to do better at your job every day. I also want to urge everyone to get involved and volunteer for organizations like the IIA to bring better program and resources to the profession. You can build a strong network to fuel both your professional and personal development.

September 19, 2012 Chapter Luncheon
By Leah Dahl

The Internal Audit profession continues to be a dynamic and challenging environment, and at the helm of the profession are Chief Audit Executives. Moderated by Alfonso Salazar, KPMG and answering questions for an audience of over 60 attendees were Kendra Castillo, Kaiser Permanente, Erin Kenney, LA Fire & Police Pension and Albert Lau, East West Bank. Given the diverse range of industries represented by each of the panelists, a broad range of topics were covered including various regulatory and compliance challenges confronting internal auditors today, the importance of personal development in order to stay relevant to the profession, and how to complete a thorough audit, while making sure to address high-risk areas.

Kendra Castillo is an Audit Director with Kaiser Permanente, with extensive knowledge of operational and financial audits in both the healthcare and financial services industry. Erin Kenney is the head of the Los Angeles Fire and Police Pension department, with comprehensive experience in governmental auditing, as well as compliance and performance reviews. Albert Lau is the Chief Audit Executive of East West Bank. He possesses an in-depth knowledge of the financial services industry, particularly banking and began his audit career with Deloitte and Touche.

Gabe Ahn receiving his CRMA certificate from Chapter President Ruthe Holden.
Chapter Achievement Program

I am pleased to present the report for the three months ended August 31, 2012 for the Chapter Achievement Program (CAP). The total CAP points earned for the San Gabriel Valley Chapter are shown below:

<table>
<thead>
<tr>
<th>2012-13</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Service to Members</td>
<td>465</td>
</tr>
<tr>
<td>Service to Profession</td>
<td>202</td>
</tr>
<tr>
<td>Chapter Administration</td>
<td>171</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>838</strong></td>
</tr>
</tbody>
</table>

The program activities for the period included the following:

♦ Southern California Education Conference held June 4, 2012
♦ Chapter Board Leadership meeting held June 8, 2012
♦ District workshop held on July 26, 2012 at MTA
♦ Chapter meeting held on August 15, 2012 at the Pasadena Women’s Club

With only three months into the fiscal year, we have reached Bronze status and will most likely attain Gold Status before December 2012 ahead of target goal this year.

Thank you to all the Leaders, Committee Chairs and Volunteers who helped achieved the programmed activities for the Chapter on the first three months.

Rey Bejerano
Chapter Achievement Program (CAP) - Chair

New Issue of Tone at the Top

Shining a Light on Corruption

The new issue of Tone at the Top examines how governing bodies and management should limit their organizations exposure to these risks, and how internal auditors can help them. Read the issue

IIA Southern California Education Conference
June 3, 2013
Sheraton Anaheim Hotel
Wrd4ec.org

CALL FOR VOLUNTEER SPEAKERS

Do you have a proven track record as a conference speaker? Would you like to share one of your department's best practices or discuss a critical issue? Here’s your chance! The 2013 IIA Southern California Education Conference will be held on June 3, 2013. We are actively seeking volunteers who are interested in speaking at the conference. We are looking for Chief Audit Executives, Chief Risk, Ethics and Compliance Officers, Audit Directors, and Managers to discuss critical issues related to 5 different tracks. This year we are incorporating an IT related topic for each of the tracks.

♦ Governance, Risk & Controls
♦ Audit Fundamentals
♦ Emerging Issues
♦ Government & Compliance
♦ Industry Specific Topics

All speakers receive a complimentary registration for the conference, which includes Continuing Professional Education credits for each session that you attend including your presentation; as well as exposure to the conference materials and conference Web site. The conference will not be paying speakers travel or speaker fees.

If you are interested in applying as a speaker for the conference please complete the application online http://www.surveymonkey.com/s/CHK3BXF

Applications must be received by October 30, 2012.

Questions about the program can be submitted to Jason.james@regentsandpark.com

Check out to Flyer located in our website for more information.

Internal Auditor Magazine

Cover Story: Staying Ahead of IT Risks

Auditors are being challenged to keep up with emerging technology threats without losing sight of existing dangers. Read the latest issue
WHERE IN SAN GABRIEL VALLEY?

Did you guess? It’s Rubel Castle! It’s also known as Rubelia, the Junk Castle, The Pharm, or Rubel Farms.

Rubel Castle was established in Glendora, California, by Michael Clarke Rubel. It has been called a “San Gabriel Valley version of Watts Towers.”

In 1959, Rubel purchased a 2 1/2 acre citrus orchard on which the structure resides. He and his friends completed construction in 1986. The castle is considered the first major recycling project in the United States, according to David Traversi, who authored One Man’s Dream: The Spirit of Rubel Castle.

The castle was constructed partly out of concrete, but also out of scrap steel, rocks, bedsprings, coat hangers, bottles, and other pieces of junk that Rubel found. It contains 75 foot towers, a blacksmith area, an old printing press, a drawbridge, vehicles from the 1920s, and a model railroad in an old citrus packing house.

Michael Clarke Rubel passed away on October 15, 2007 and he left his castle to the Glendora Historical Society. The castle is not open to the public but can be viewed by arranging a private tour. For more information call (626) 963-0419 or go to [http://tours.rubelcastle.org/#tours](http://tours.rubelcastle.org/#tours).

If you ever get the chance to go there for a tour, it’ll be worth your while. You never know what you may come across. The funny thing is, the castle is nestled in a very residential community with many beautiful homes and yards. You’d never think a full size castle would be hidden up here, but lo and behold one is there.

Next edition we will be talking about: Can you identify where in San Gabriel Valley this picture was taken? Hint: It’s located in a Historic Park.

---

JOB OPPORTUNITIES

**Unified Grocers—Commerce, CA**

*Sr. Internal Auditor I*

Working with limited supervision, develops, conducts, and documents complex audit programs as assigned. Works with department management to develop audit plan, conduct audits within established schedule and budget, and present audit findings to management. May assist user departments in the development of improved work processes to assure internal controls are maintained.

For more information and to apply, go to: [Unified Grocers—Internal Auditor I](#)

**AIDS Healthcare Foundation—Los Angeles**

*Director of Internal Audit*

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed are representative of the knowledge, skill, and/or ability required. For full requirements and to apply, go to: [AIDS Healthcare Foundation—Los Angeles—jobs](#)

**The Mergis Group—Greater Los Angeles Area**

*Internal Audit Manager/Director*

This is a Internal audit/SOX position with one of our clients in West LA. This is a highly visible role that will allow an individual to be creative while implementing SOX best practices to create efficiencies throughout our SOX Compliance process.

For more information and to apply, please visit: [The Mergis Group—IA manager/director](#)

To post job opportunities in the Newsletter, please e-mail information to Claudia Casasola at [webmaster@theiia-sgvc.org](mailto:webmaster@theiia-sgvc.org)
Chapter Book of the Month – A Chapter Benefit

*Sawyer’s Guide for Internal Auditors, 6th Edition*

All chapter members get 20% off Sawyer’s Guide for Internal Auditors, 6th Edition through the end of September! Share this benefit with your chapter members and stay tuned for the next featured book in October.

Save this link to find a new chapter offer each month: http://www.theiia.org/bookstore/content/chapter-book-of-the-month-1048.cfm.

With hundreds of titles to choose from — including books, training materials, certification preparation, interactive programs, and more — The IIARF Bookstore is a one-stop shop for your internal audit resources. Every IIARF Bookstore product has been reviewed by internal auditors to guarantee a perfect fit. Visit www.theiia.org/bookstore.

Continuing Professional Education (CPE) Requirements

CPE is facilitated through a self-certification process with the completion and reporting of required CPE hours on an annual basis.

The reporting deadline is December 31 each year. CPE reporting by IIA members is free; non-members must submit a US $100 processing fee with their report for the CIA designation and a US $25 fee with their report for any/all specialty certifications. IIA-certified professionals who fail to meet their CPE requirements by the reporting deadline will automatically be placed in inactive status and may not use their designation.

New CIAs are awarded 80 CPE hours; new CCSAs, CGAPs, CFSAs, and CRMAs are awarded 40 CPE hours. Half of the awarded CPE hours (40 or 20) are for the year in which the exam is passed, and the other half are for the subsequent year.

As an IIA certified professional, you are responsible for ensuring that the CPE information in your report is accurate. You must include your membership or customer identification number when reporting your CPE.

Log in to the Certification Candidate Management System (CCMS) to complete the CPE Reporting Form.

IIA NEWS AND UPCOMING EVENTS

Please call IIA Customer Relations at +1-407-937-1111 or e-mail certification@theiia.org for further assistance

************************************************************************

**All Star Conference**

**October 9 – 11, 2012**

**Encore at Wynn Las Vegas / Las Vegas, NV**

Now, for the eighth consecutive year, audit executives, management, and staff auditors will convene in Las Vegas for what All Star Conference alumni have touted, “The best conference The IIA offers – especially for the price!” Of those 2011 All Star Conference delegates who completed the post-conference survey, 100% would recommend it as a quality educational experience, and 99.6% felt the educational content met their expectations.

“The main reason I continue to attend to this conference is because its speakers are the highest rated from all of The IIA conferences held. That gives me a better opportunity to learn from the best of the best.”

“I liked the ‘forward thinking’ presentations and will recommend the All Star Conference to my colleagues.”

Four general sessions and 32 concurrent sessions will be featured in four tracks on:

Governance: Implementing the 3 Cs - Culture, Communication, and Change.

Technology: Effective Auditing During Times of Rapid Change.

ERM: Maximizing Value and ROI.

Ethics and Fraud: Proactive Strategies For Professional Success.

**NEW!**

New to the conference program is a pre-conference workshop on Monday, October 8 from 3:00 – 6:00 p.m. on the topic of "Assessing and Reporting on the Effectiveness of a Risk Management Process."
Board Members and Officers

If you wish to contact a Board Member, or Officer, please e-mail Contact Board Member or Officer

**OFFICERS**
- President: Ruthe Holden
- V-P and Programs Chair: Kathy Knox
- V-P Nominating: Aurora McNabb
- Treasurer: Mimi Htut
- Secretary: Leah Dahl

**COMMITTEES**
- Academic Relations: Jason Pae/Fariba Arab
- Audit: Mark Concialdi
- Awards: Lizzette Espinoza
- CAP Chair: Rey Bejerano
- Certification: Urvashi Royjain
- Employment/Career Development: VACANT
- Facilities Arrangement: Linda Hodges
- Meeting Arrangements: Leah Ton/Lei Shi Caine
- Membership: Yvette Suarez
- Programs: Heidi Tong
- Seminars: Diana Estrada
- Hospitality: Donna Tamura/Susan Wong
- Newsletter: Claudia Casasola
- Publicity and Public Relations: Available
- Webmaster: Claudia Casasola/Luceli Ceja
- Senior Audit Executives: Lynn Mckenzie/Megan
- Events: Scott-Kakures

**Board of Governors**
- Governor at Large: Fred Stevens
- Governor at Large: Lynn McKenzie
- Governor at Large: Pam Koyzis
- Governor at Large: Albert Lau
- Governor at Large: John Imai

**Board of Governors-Past Presidents**
- Past President (2nd Term): Sangeeta Patel
- President Past (1st Term): Monica Raffety